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By Electronic Mail

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Mr. Phillip A. Brooks
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**Re: Limited Request for Extension of May 2, 2018 No Action Assurance for the
Puerto Rico Electric Power Authority (PREPA) Emergency Request for Hurricanes
Irma and Maria Related Relief**

Dear Ms. Bodine and Mr. Brooks:

I write on behalf of the Puerto Rico Electric Power Authority ("PREPA") to request that the United States Environmental Protection Agency ("EPA") extend narrow components of the no-action assurance issued by EPA on May 2, 2018 ("the NAA"). While PREPA has made significant progress since PREPA's last extension request, ongoing difficulties and vital repair work continue to affect PREPA's system, as reported in PREPA's status report submitted to EPA dated May 31, 2018 ("May Report").

PREPA has successfully restored power to approximately 99.7% of clients on the island. However, approximately 4,300 clients remain without power, and only approximately 81% of transmission lines (230 kV and 115 kV) are energized. A number of major transmission lines are still in the process of being restored, including a major transmission line supporting the Aguirre power complex. While progress has been made on these lines, uncertainties persist as to the timeline for bringing these remaining lines online, and the risk for surges and other disturbances remain as these lines are repaired and reenergized. Ongoing repair work also restricts the baseload plants in the south—Aguirre and AES—from both operating at normal loads at the same time, as they must share

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available transmission capacity. PREPA is diligently working to restore its system; however, the final phase of work that remains is challenging and will take additional time.

Despite these challenges, the status of the grid has improved in many ways, and PREPA thus requests a significantly narrower extension of the no-action assurance that is tailored to current issues PREPA is facing. Part I of this report provides an updated timeline for transmission line repairs and unit outages. Part II of this report describes PREPA's progress on each of the conditions covered by the NAA, and whether PREPA is requesting an extension of the NAA.

I. Current Status of PREPA's System and Timeline for Achieving Pre-Hurricane Conditions

A. Current Status and Timeline for Restoring Major Transmission Lines

PREPA has made great progress on restoring the transmission grid. After Hurricane Maria, PREPA estimates that 80 to 90% of the grid had been damaged. Currently, approximately 81% of major transmission lines have been repaired and energized,¹ and power has been restored to approximately 99.7% of PREPA's clients. These figures represent a substantial improvement over the last few months. However, despite this progress, work continues to fully restore power to areas in the eastern and central parts of the island. Moreover, PREPA is also continuing to repair and stabilize the transmission system: approximately 19% of major transmission lines still must be repaired and/or energized. While PREPA is steadily making progress, several factors have delayed PREPA's ability to fully repair the remaining lines and have slowed the process in various ways. These include difficult access to structures on mountains (where access roads have had to be constructed) and lack of available helicopters. In addition, for certain lines, sufficient clearance space is not available to work on lines that are located in the same right of way as a nearby line. For instance, Line 51000 (a major 230 kV line serving Aguirre) is near line 50900. As a result, repair work has to be completed on the nearby lines during weekends, when load is lower.

PREPA emphasizes that the timeline to fully repair the transmission system to pre-hurricane levels is not fully known. Seventeen major transmission lines are under repair and have yet to be energized, including two 230 kV lines and approximately fifteen 115 kV lines. Three additional 115 kV lines are repaired, but still must be energized (for a total of twenty lines that must still be energized). A summary of the timeline for repairing the damaged lines is as follows:

- PREPA currently plans to complete repair of 4 of the 17 remaining damaged transmission lines by the end of June 2018. These include north-south Line 51000 (Aguirre S.P. – Aguas Buenas), which is critical to normal operation of the Aguirre power complex. Since the May Report, the estimated repair date for this line was pushed back to the end of June—specifically June 29, 2018.
- PREPA anticipates completing repair of 3 more lines by mid-July 2018, and 1 line by the end of July 2018.
- PREPA is still determining an anticipated repair date for the remaining 9 lines; however, for many of these remaining lines, a percentage of the repair work has already been completed. For instance, for 4 of these lines, the percentage of repair work completed is above 50%. PREPA nevertheless lacks an estimate for these lines at this time.

¹ 83% of the transmission lines have been repaired; however, three transmission line segments that have been repaired have not yet been energized.

Accordingly, based on its current repair schedule, PREPA anticipates that achieving the milestone of fully repairing all major transmission lines will likely not occur before the end of July, and could extend into August.

B. Current Status and Timeline for Achieving Pre-Hurricane Generation Availability

In the table below, PREPA identifies the units that are in service at the Palo Seco, San Juan, Aguirre, and Costa Sur plants, their current status, and the estimated date of their availability:

Unit Name	Current Status	Estimated Date Available
San Juan Unit 5	In-Service	N/A
San Juan Unit 6	In-Service	N/A
San Juan Unit 7 (limited use)	Mandatory Environmental Outage	July 15, 2018
San Juan Unit 8 (limited use)	In-Service	N/A
San Juan Unit 9	Mandatory Environmental Outage	June 30, 2018
San Juan Unit 10	Out-of-Service for Unit Repairs	December 2018
Palo Seco Unit 1 (limited use)	Out-of-Service for Unit Repairs	July 7, 2018
Palo Seco Unit 2 (limited use)	Out-of-Service for Unit Repairs	December 2018
Palo Seco Unit 3	In-Service	N/A
Palo Seco Unit 4	Out-of-Service for Unit Repairs	August 2018
Aguirre Unit 1	In-Service	N/A
Aguirre Unit 2	In-Service	N/A
Costa Sur Unit 3 (limited use)	Out-of-Service	N/A
Costa Sur Unit 4 (limited use)	Out-of-Service	N/A
Costa Sur Unit 5	Out-of-Service for Unit Repairs	June 26, 2018
Costa Sur Unit 6	In-Service	N/A

This table is similar to that provided in the May Report, but certain important information has been updated. Notably, Aguirre Units 1 and 2 are now both online. Although the necessary transmission line repairs to Line 51000 (Aguirre S.P. – Aguas Buenas) have not yet been completed, both Aguirre steam units are able to operate because AES Unit 1 has been taken out of service for repair due to a generator collector ring failure. AES Unit 1 is expected to return to service by June 24, 2018. AES and Aguirre are both located in the south and share many of the same transmission lines. Accordingly, with AES Unit 1 offline, more transmission capacity is available for Aguirre. However, the total amount of baseload power able to be transported from the south remains limited due to the transmission line situation. As noted above, the repair date for Line 51000 was pushed back to June 29, 2018, and 79% of the line repairs were completed as of last week. PREPA anticipates that there will be a period of time after expiration of the current NAA during which Aguirre will not be able to operate at normal loads. PREPA hopes this period of time will be of short duration, but it could be longer if the repair date for Line 51000 is delayed. PREPA also notes that Aguirre Unit 2 is scheduled for a mandatory environmental outage starting on July 2, 2018, which is expected to last for about 5 weeks.

In the above table, PREPA has also updated the in-service availability dates for San Juan Units 7 and 9. Unit 7 is now slated to be available by July 15, 2018, while Unit 9 is now slated to return to service by June 30, 2018. Thus, San Juan Unit 9 will not return to service before the June 29 expiration date of the current NAA. Costa Sur Unit 5 is also out-of-service for repairs, but is expected to be available again prior to the expiration of the current NAA. Otherwise, the generation situation is the same as that reported in the May Report.

II. Request for a Limited Extension of the NAA

The May 2 extension of the NAA grants PREPA relief through June 29, 2018, for issues arising under the Clean Air Act as they relate to PREPA's Title V permits,² and the underlying applicable requirements contained therein, at PREPA's electric generating units. More specifically, the May 2 extension of the NAA applies to any violations, actions taken, or not taken, in response to the following conditions:

- Opacity emissions limits at the Aguirre facility from operating the Aguirre facility at low-load output levels;
- Emissions limits (including, but not limited to, opacity limits) at PREPA's electric generating units other than Costa Sur and Cambalache, related to episodic electrical disturbances;
- Operation in excess of heat input limits at San Juan Units 7 and 8 and Palo Seco Unit 1;
- Unit and/or control equipment malfunctions, shutdowns, or restarts, except at Costa Sur and Cambalache, to the extent they are due to electrical system disturbances;
- Inoperable or damaged process, production, control, or monitoring equipment (excluding all fuel analysis activities) at Aguirre Unit 1; inoperable or damaged water injection equipment at the Mayaguez facility, to the extent caused by electrical disturbances; and inoperable or damaged steam injection equipment at San Juan Units 5 and 6, to the extent caused by electrical disturbances;
- Compliance with the Mercury and Air Toxics Standard ("MATS") as follows:
 - Heat input limits at San Juan Units 7 and 8 and Palo Seco Unit 1;
 - MATS compliance at Aguirre;
 - Emissions deviations resulting from cycling problems at plants subject to MATS, other than Costa Sur; and
 - MATS testing deadlines at Aguirre Units 1-2, Costa Sur Units 5-6, San Juan Unit 9, and Palo Seco Unit 3;
- Temporary operation of mobile diesel generators to restore power and start units and auxiliary equipment; and
- The shutdown or bypass of air pollution control equipment to shed parasitic load at Mayaguez and San Juan, to the extent problems are due to electrical system disturbances.

The May 2 extension also extended NAA coverage until June 29, 2018, for the reporting and recordkeeping requirements identified in Table A of the May 2 extension.³

The following sections discuss the progress that PREPA has made with regards to each of the conditions covered by the NAA. PREPA also identifies whether or not it will need to request an extension of the NAA for the condition, and the basis(es) for the request. Based on the status of its system, PREPA is requesting that EPA extend limited aspects of the NAA through July 31, 2018. For one item, MATS testing at Aguirre Unit 2, PREPA is requesting an extension to August 31, 2018.

Below, PREPA identifies the specific areas in which it requests an extension of the NAA for violations and actions taken, or not taken, in response to the following conditions:

² The applicable Title V permits include permit numbers PFE-TV-4911-63-0212-0244 (Aguirre Power Station), PFE-TV-4911-70-1196-0015 (Palo Seco Steam Power Plant), TV-4911-31-0397-0021 (South Coast Steam Power Plant), PFE-TV-4911-65-1196-0016 (San Juan Steam Power Plant), PFE-TV-4911-07-0897-0043 (Cambalache Combustion Turbine Plant), PFE-TV-4911-19-0306-0447 (Daguao Turbine Power Block), PFE-TV-4911-30-1107-0991 (Jobos Turbine Power Block), TV-4911-63-1196-0014 (Mayaguez), PFE-TV-4911-74-0106-0021 (Vega Baja Turbine Power Block), and PFE-TV-4911-77-0707-0759 (Yabucoa Turbine Power Block).

³ The NAA allows PREPA 30 additional days after expiration of the NAA to submit the required reports.

A. Opacity emissions limits at the Aguirre facility from operating the Aguirre facility at low-load output levels

In its May Report, PREPA explained that Aguirre continued to operate at low load output levels due to the ongoing repair of transmission lines that serve the plant, and that PREPA had only been able to operate one of Aguirre's two 450 MW steam electric generating units since the hurricanes. However, in the May Report, PREPA did not anticipate requesting an extension of this condition, because PREPA anticipated that it would again be able to operate Aguirre at normal loads shortly after Line 51000 (Aguirre S.P. – Aguas Buenas) was repaired and energized. At the time, PREPA anticipated that this line would be repaired by mid-June 2018.

Line 51000 was 79% repaired as of last week, and the repair schedule for this line has been extended to June 29, 2018 (and could be extended again). However, as explained on PREPA's June 11, 2018 call with EPA, Unit 1 at the AES plant (which utilizes many of the same lines as Aguirre) has been damaged and is expected to be out-of-service for repairs until June 24, 2018. Because AES is not using these transmission lines, greater capacity is available for output from Aguirre. As a result, PREPA has been able to place both Aguirre Unit 1 and Unit 2 in service at the same time, and is able to run the units at higher loads. As noted above, PREPA anticipates that there will be a period of time between when AES returns to service and when Line 51000 is energized. During this time, PREPA expects that Aguirre will again have to operate at limited loads.

While load output may again become limited, PREPA is not requesting an extension of this condition.

B. Emissions limits at PREPA's electric generating units related to episodic electrical disturbances

In its May Report, PREPA explained that its system will remain at risk of episodic electrical disturbances until its transmission lines are fully repaired, which is not expected to occur until the end of July and potentially August. However, PREPA also noted that electrical disturbances are occurring less frequently. Accordingly, PREPA stated that it would evaluate its progress in repairing the remaining lines and would review information available to it to determine whether or not it needs to request an extension of the NAA with respect to this condition.

As of now, approximately 19% of PREPA's major transmission lines are still not energized, and seventeen of the major lines still must be repaired, including two 230 kV lines and fifteen 115 kV lines. While several more transmission lines are anticipated to be placed back in service during June, approximately thirteen lines will still likely be under repair continuing into July.

However, while surges are continuing to occur, PREPA's plants have not experienced trips or blackouts in June. While the risk of episodic problems remains, this risk is becoming less of a threat. As a result, PREPA is not requesting an extension of this condition.

C. Operation in excess of heat input limits at San Juan Units 7 and 8 and Palo Seco Unit 1

As described in prior reports to EPA, the unavailability of various baseload units has necessitated the use of units that are designated as limited-use units under MATS, namely San Juan Units 7 and 8 and Palo Seco Unit 1.⁴ Of particular importance, the Aguirre power complex's operation at limited loads due to transmission line damage has required PREPA to operate its

⁴ These units have exceeded the 8% heat input limit as measured through fuel use. See 40 C.F.R. § 63.10042 (defining the "limited-use liquid oil-fired subcategory").

limited-use units to help compensate for Aguirre's unavailability. In addition, other key baseload units (i.e., Costa Sur Unit 6 and San Juan Unit 9) had to be taken out of service for mandatory environmental outages.

In its May Report, PREPA explained that Costa Sur Unit 6 was back in service, and San Juan Unit 9 was slated to be available and back in service by June 20, 2018. Accordingly, PREPA explained that if Aguirre returned to normal operations by the end of June, PREPA anticipated that it would not need to request an extension of the NAA for this condition. However, PREPA emphasized that the need for an extension would likely depend on when Line 51000 repairs are completed and, in turn, when Aguirre is able to operate at normal loads.

As noted above, the current availability estimate for San Juan Unit 9 to return to service has been extended to June 30, 2018. In addition, the repair completion date for Line 51000 has also been extended to June 29, 2018 (the expiration date of the current NAA). The current schedules for San Juan Unit 9 and Line 51000 allow PREPA no buffer time to bring its units back to normal operations before the current NAA expires. Given the significant uncertainties regarding Line 51000 and operations at Aguirre—and the potential need to operate limited-use units to compensate as the system transitions back to normal—PREPA is requesting an extension of the NAA with respect to this issue until July 31, 2018.

As discussed above, while Aguirre Units 1 and 2 are now both online, this is due to the fact that AES Unit 1 has been damaged and is out-of-service for repairs. The overall amount of power the Aguirre and AES units are able to generate has been limited by the capability of the transmission lines serving Aguirre and AES. Until the major transmission lines that are still damaged from the hurricanes are repaired, the Aguirre power complex and AES will not both be able to resume normal operations, and will have to share capacity. Because of the continuing inability to use a significant portion of the baseload power available in the south and ongoing transmission limitations, PREPA needs continued flexibility to operate San Juan Units 7⁵ and 8 and Palo Seco Unit 1,⁶ as doing so remains critical to ensuring adequate power supply for the island. Accordingly, PREPA is requesting an extension of the NAA for these three units until July 31, 2018.

D. Unit and/or control equipment malfunctions, shutdowns, or restarts to the extent they are due to electrical system disturbances

As explained in the May Report, PREPA's grid will remain susceptible to electrical disturbances until its major transmission lines are repaired. However, as described above, these events are occurring less often. Based on the reduced frequency with which major disturbances have occurred, PREPA is not requesting an extension of the NAA with respect to this condition.

E. Inoperable or damaged process, production, control, or monitoring equipment (excluding all fuel analysis activities) at Aguirre Unit 1

As noted in the May Report, there are no outstanding equipment issues at Aguirre Unit 1 at this time. Accordingly, PREPA is not requesting an extension of the NAA with respect to this issue.

⁵ San Juan Unit 7 is currently out-of-service for a required environmental outage, which is expected to last until July 15, 2018.

⁶ Palo Seco Unit 1 is currently out-of-service due to structural issues, but is expected to be available again by July 7, 2018.

F. Inoperable or damaged steam and water injection equipment at San Juan Units 5 and 6 and the Mayaguez facility to the extent caused by electrical system disturbances

As described in the May Report, electrical disturbances have caused malfunctions or shutdowns of steam and water injection equipment at the San Juan combined cycle units and the Mayaguez units, and PREPA's system will remain susceptible until its major transmission lines are fully repaired. However, because the frequency of these types of disturbances has decreased significantly, PREPA is not requesting an extension of the NAA with respect to this issue.

G. Compliance with MATS

1. Heat-input limits at San Juan Units 7 and 8 and Palo Seco Unit 1

Please see discussion in Section II.C, above. PREPA is requesting an extension of the NAA until July 31, 2018 with respect to this issue.

2. MATS compliance at Aguirre

In the May Report, PREPA explained that once Aguirre is able to operate at normal loads, PREPA would no longer need blanket relief for MATS compliance at Aguirre. PREPA explained that it would still potentially require more limited relief for emissions deviations resulting from cycling problems and testing deadlines at Aguirre.

As described above, PREPA anticipates that Aguirre Units 1-2 will not be able to operate at the current load levels once AES Unit 1 returns to service. However, PREPA does not need a blanket extension of this condition. The relief sought in Sections II.G.3 and II.G.4 below will be sufficient to cover the MATS issues it is still experiencing at Aguirre, with one exception. Specifically, if Aguirre is forced to operate at low loads once AES Unit 1 returns to service, the Aguirre units may experience emissions deviations. Accordingly, PREPA requests an extension of relief for MATS compliance at Aguirre for emissions deviations resulting from low load operating conditions until July 31, 2018. This request is in addition to PREPA's requests for extensions of the conditions described in Sections II.G.3 (emissions deviations at Aguirre from cycling) and II.G.4 (MATS testing at Aguirre) below.

3. Emissions deviations resulting from cycling problems at plants subject to MATS, other than Costa Sur

PREPA reported in the May Report that issues with cycling are decreasing, but continue to lead to emission deviations at PREPA's baseload units. PREPA's ability to fully comply with the emissions limits is tied to whether or not electrical disturbances continue to occur, which is in turn tied to whether or not major transmission lines are still under repair. For Aguirre, it is also tied to whether or not PREPA must take the units out-of-service or operate them at limited loads due to transmission line limitations.

As described above, PREPA expects that it will still be repairing approximately 13 major transmission lines during July. However, electrical system disturbances are becoming less frequent, and PREPA has not experienced recent cycling related to these issues at San Juan and Palo Seco. PREPA remains concerned that cycling may continue to cause emissions deviations at Aguirre, especially given that PREPA anticipates that Aguirre will have to operate at limited loads once AES Unit 1 comes back online, due to the ongoing repair of Line 51000. PREPA thus requests an extension of this condition for Aguirre until July 31, 2018.

4. MATS testing deadlines at Aguirre Units 1-2, Costa Sur Units 5-6, San Juan Unit 9, and Palo Seco Unit 3

As described in the May Report, PREPA uses a testing contractor to perform relative correlation audit ("RCA") testing for San Juan Unit 9, Palo Seco Unit 3, and Costa Sur Units 5-6.⁷ PREPA is currently in the process of coordinating with the contractor to identify testing dates, and PREPA anticipates, at this time, that it will be able to schedule the testing to occur by mid-July. Accordingly, PREPA will need to request an extension of the NAA for audit testing at these four units until July 31, 2018.

PREPA also requests an extension of the NAA for MATS testing at Aguirre Unit 1 until July 31, 2018, and at Aguirre Unit 2 until August 31, 2018. PREPA anticipates that it will be able to schedule testing for Aguirre Unit 1 in July 2018, as it anticipates that Aguirre will be able to operate at normal loads at some time in July. However, Aguirre Unit 2 is scheduled to be taken out-of-service for a mandatory environmental outage on July 2, 2018. The outage is expected to last for about 5 weeks, and PREPA thus anticipates that it will be able to test Aguirre Unit 2 in August. Accordingly, PREPA requests an extension of the NAA for this issue as it relates to Aguirre Unit 2 until August 31, 2018.

H. Temporary operation of mobile diesel generators to restore power and start units and auxiliary equipment

PREPA requires continued relief on this issue until July 31, 2018. PREPA has progressively lowered its temporary operation of mobile diesel generators to restore power and start units and auxiliary equipment. However, as noted above, grid instability remains a concern, and blackouts have occurred on a sporadic basis. Indeed, multiple major blackouts occurred in March and April 2018. Moreover, transmission lines are still damaged in certain key areas, making it necessary for PREPA to be able to continue to utilize mobile diesel generators. As described above and in the May Report, PREPA anticipates that it will continue to repair major lines throughout July (and potentially into August).

As one example, use of the generators at Palo Seco remains necessary for stability reasons and because of the continuing limitations on PREPA's ability to transmit generation from the south; these generators are operating at all times and remain key to ensuring reliability in the northern part of the island. As another example, the use of generators at Yabucoa also remains essential for stability and restoring power, because of damage to the transmission and distribution lines servicing Yabucoa. Yabucoa has been one of the hardest hit communities and approximately 8% of residents still need power restored. Proof of the fact that these generators are still needed to ensure power stability on the island, the U.S. Army Corps of Engineers ("Army Corps") recently testified before Congress that its temporary power mission would extend through July 31, 2018.⁸

⁷ As described in the May Report, in 2017, PREPA was required to conduct a relative response audit ("RRA") test for San Juan Unit 9, Palo Seco Unit 3, and Costa Sur Unit 5, and a RCA test for Costa Sur Unit 6. For 2018, PREPA's obligations are a mirror image: PREPA is required to conduct a RRA test for Costa Sur Unit 6, and RCA test for San Juan Unit 9, Palo Seco Unit 3, and Costa Sur Unit 5. The RCA is a more comprehensive test than the RRA and is conducted every three years, while the RRA is conducted in the years in which a RCA is not performed. As explained in the May Report, EPA agreed that PREPA may perform an RCA for the four units in lieu of an RRA, by email dated May 30, 2018. Accordingly, PREPA will only be performing an RCA on all four units.

⁸ See U.S. Senate Committee on Energy and Natural Resources, Full Committee Hearing to Examine Puerto Rico's Electric Grid (May 8, 2018), *available at* <https://www.energy.senate.gov/public/index.cfm/2018/5/full-committee-hearing-to-examine-puerto-rico-s-electric-grid>.

Accordingly, PREPA is requesting that EPA extend the NAA with respect to this issue until July 31, 2018, which is consistent with the Army Corps' timeline for its temporary power mission and the use of these generators.

I. Shutdown or bypass of air pollution control equipment to shed parasitic load at Mayaguez and San Juan, to the extent problems are due to electrical disturbances

As described in the May Report, PREPA's system will remain susceptible to episodic electrical disturbances until the remaining major transmission lines are repaired, and such disturbances can cause trips and blackouts. However, while surges are continuing to occur, PREPA's plants have not experienced trips or blackouts in June. While the risk of episodic problems remains, this risk is becoming less of a threat. As a result, PREPA is not requesting an extension of this condition.

J. Reporting and recordkeeping requirements

The current deadline for reports under the NAA is July 30, i.e., 30 days after the current NAA expires. PREPA requests an extension of the NAA for certain reports as set forth in the table below (i.e., those with proposed deadlines after July 30). The table identifies the reports that have been submitted and that remain outstanding, as well as PREPA's proposed deadlines for the remaining reports:

Table A: PREPA Reporting Requirements

<u>Report</u>	<u>Facilities</u>	<u>Legal Sources</u>	<u>Reports Submitted</u>	<u>Reports Outstanding</u>	<u>Proposed Timeline for Submitting Reports</u>
Semi-Annual Monitoring Report	Aguirre, Costa Sur, Palo Seco, San Juan, Cambalache, Mayaguez, Daguao, Jobos, Vega Baja, Yabucoa	Title V permits	First half of 2017 semi-annual monitoring report	Second half of 2017 semi-annual monitoring report	July 30
Annual Compliance Certification Report	Aguirre, Costa Sur, Palo Seco, San Juan, Cambalache, Mayaguez, Daguao, Jobos, Vega Baja, Yabucoa	Title V permits		Annual compliance certification report for 2017 for all subject facilities	July 30

<u>Report</u>	<u>Facilities</u>	<u>Legal Sources</u>	<u>Reports Submitted</u>	<u>Reports Outstanding</u>	<u>Proposed Timeline for Submitting Reports</u>
Annual GHG Emissions Report	All subject facilities	GHG Reporting Rule (Part 98) Title V permits		Annual GHG emissions report for 2017 for all subject facilities	July 30
Quarterly Excess Emissions & Method 9 Report	Aguirre, Palo Seco	Title V permits	Q3 2017 and Q4 2017 reports	Q1 2018 and Q2 2018 reports	August 30
Quarterly Excess Emissions Report	San Juan, Cambalache, Costa Sur	PSD permits	Q3 2017 reports for Cost Sur and Cambalache Q4 2017 report for Cambalache	Q3 2017 and Q4 2017 reports for San Juan	July 30
				Q4 2017 report for Costa Sur Q1 2018 and Q2 2018 reports	August 30
Quarterly Excess Emissions & Monitoring Report	Costa Sur, Palo Seco, San Juan, Aguirre	MATS	None	Q3 2017 and Q4 2017 reports	July 30
				Q1 2018 and Q2 2018 reports	August 30
Semi-Annual Excess Emissions Report	Costa Sur, Palo Seco, San Juan, Aguirre	MATS	None	Second half of 2017 reports	July 30
				First half of 2018 reports	August 30
Monthly Vanadium/Asphaltene Report	Aguirre, Costa Sur, Palo Seco, San Juan, Cambalache, Mayaguez, Dagua, Jobos, Vega Baja, Yabucoa	Title V permits	Monthly reports for August 2017 through February 2018	Monthly reports for March 2018 through June 2018	August 30

<u>Report</u>	<u>Facilities</u>	<u>Legal Sources</u>	<u>Reports Submitted</u>	<u>Reports Outstanding</u>	<u>Proposed Timeline for Submitting Reports</u>
Annual Emergency Generator Compliance Report	Costa Sur, Aguirre, San Juan, Palo Seco, Mayaguez, Jobos	RICE NESHAP (Subpt. ZZZZ) Title V permits	2017 annual reports for Costa Sur, Aguirre, Palo Seco, and Mayaguez	2017 annual reports for San Juan and Jobos	July 30
Semi-Annual Emergency Generator Compliance Report	Palo Seco, Yabucoa	RICE NESHAP (Subpt. ZZZZ) Title V permits	Second half of 2017 report for Palo Seco and Yabucoa	First half of 2018 reports for Palo Seco and Yabucoa	August 30
Semi-Annual Heat Input Report	Costa Sur	PSD permits	Semi-annual report for April 2017-September 2017	Semi-annual report for October 2017-March 2018	August 30
Quarterly QA/QC Report (CEMS-O2-NOx-CO)	San Juan, Cambalache	PSD permits	Q3 2017 and Q4 2017 reports for Cambalache	Q3 2017 and Q4 2017 reports for San Juan	July 30
				Q1 2018 and Q2 2018 reports	August 30
QA/QC Quarterly Report (PM CEMS-Stack O2)	Costa Sur, Palo Seco, San Juan	MATS	None	Q3 2017 and Q4 2017 reports	July 30
				Q1 2018 and Q2 2018 reports	August 30
Annual Relative Accuracy Test Audit Report (Stack O2)	Costa Sur, Palo Seco, San Juan	MATS	None	Annual Relative Accuracy Test Audit reports (Stack O2)	August 30

<u>Report</u>	<u>Facilities</u>	<u>Legal Sources</u>	<u>Reports Submitted</u>	<u>Reports Outstanding</u>	<u>Proposed Timeline for Submitting Reports</u>
Annual Relative Response Audit Report	Costa Sur, Palo Seco, San Juan	MATS	None	Annual Relative Response Audit report for subject facilities	As permitted by EPA, PREPA will submit a Tri-Annual Relative Correlation Audit Report in lieu of the Annual Relative Response Audit Report 60 days after testing is complete.
Tri-Annual Relative Correlation Audit Report	Costa Sur	MATS	None	Tri-Annual Relative Correlation Audit report for Costa Sur	PREPA will submit the report 60 days after testing is complete.
Annual RATA Report (CEMS-O2-NOx-CO)	San Juan, Cambalache	PSD permits	None	Annual RATA report (CEMS-O2-NOx-CO) for subject facilities	August 30 for San Juan Units 6, 7, and 9 For San Juan Units 5 and 8, and Cambalache Units 2 and 3, PREPA will submit the report 60 days after testing is complete.

PREPA is making progress on its reporting obligations and will continue to submit required reports for its facilities as soon as it is able to complete them. However, as described in more detail in the May Report, PREPA still faces a significant backlog of reports. In the first few months following the hurricane, all hands were on deck to assist with hurricane relief efforts and personnel were largely deployed to emergency responsibilities. And, right as personnel were beginning to return to their normal duties, PREPA suffered a significant communications setback when its system was hacked in mid-March as a part of a large cyber-attack. This same attack also hit the Internal Revenue Service, the government of Atlanta, and other Puerto Rico instrumentalities, including the Puerto Rico Aqueduct and Sewer Authority. As a result of the attack, PREPA lost work related to reporting that it had already entered into the system that had to be redone. The attack affected access to all PREPA's files, and PREPA is still trying to restore files to its network. PREPA is thus still recovering from the effects of this attack.

Given the significant backlog of reports—in addition to any lingering restoration efforts PREPA's personnel may be called upon to assist with—PREPA requests that EPA extend the NAA for reporting and recordkeeping issues until July 31, 2018 for the reports identified in the table above. The reports would then become due 30 days after that date. Accordingly, PREPA has proposed a deadline of August 30, 2018 for these reports. PREPA's request would cover any additional Clean Air Act reports for each generation facility that come due while the NAA is in place, i.e., reports that become due in July. For reporting related to audit testing that still needs to be completed, the associated report would be due 60 days after the testing occurs.

III. A Narrowly Tailored Extension of the NAA is Necessary to Protect the Public Welfare and is in the Public Interest

As described above, PREPA is requesting a narrow extension of the NAA that is closely tailored to the current problems it is facing. A limited extension of aspects of the NAA, as described above, is necessary to protect public welfare as PREPA and the Commonwealth of Puerto Rico continue to resolve the extreme circumstances created by Hurricanes Irma and Maria. PREPA has made significant progress and is getting ever closer to its goal of restoring power to the entire island; however, recent estimates indicate that approximately 4,300 clients still remain without power. Moreover, approximately 19% of major transmission lines are still not energized. Given that the grid is still susceptible to sporadic instability and surges and that core PREPA transmission lines are still damaged, PREPA expects to continue to have issues with certain conditions covered by the NAA, as described above. As such, a tailored extension of the NAA is merited for the most persistent problems affecting PREPA's system.

The residents of the island need to have power fully restored as quickly as possible, and to ensure that happens, PREPA needs to maintain the flexibility required to provide that power as quickly and to the greatest extent possible. That flexibility is in the public interest given the extremely unusual circumstances produced by the hurricanes. Extending the NAA will ensure the swiftest resumption of power to the island.

PREPA will continue to provide further information to EPA as it becomes available. PREPA will further use its best efforts in keeping EPA abreast of the restoration of its grid and its progress towards a resumption of normal operations.

PREPA knows that EPA is taking all possible measures to assist the Commonwealth of Puerto Rico respond to, and recover from, the hurricanes, and we continue to stand ready to support the agency in those measures. We look forward to hearing from you soon.

Respectfully submitted,



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